

**\*ADDRESS CHANGE**

☐ No  
☐ \*Yes (Make changes below)

Department of Commerce & Insurance  
**TENNESSEE CONTRACTOR'S LICENSE**  
**NOTICE OF RENEWAL**

For Office Use - Validation  
 Contractor – Prof 1801 – Fee \$200

**MAIL 30 DAYS PRIOR TO EXPIRATION!**



**RENEWAL FEE:** \$200.00

**\*\*Late Fee (per month)** \$ 20.00

\*\*Cannot renew if expired over 12 months

**RETIREMENT: \$25.00/Year (See page 8)**

Allow 5 to 7  
days for mail  
delivery!

**Return to:**

**BOARD FOR LICENSING CONTRACTORS**

\*\*\*Mailing Address: **500 James Robertson Pkwy.,  
Nashville, TN 37243-1150**

Telephone: 800-544-7693 or (615) 741-8307 or Fax: (615) 532-2868

Email: [Contractor.Renewal@tn.gov](mailto:Contractor.Renewal@tn.gov) Website: <http://tn.gov/commerce/boards/contractors/>

**LICENSE NAME:** \_\_\_\_\_ **LICENSE ID#** \_\_\_\_\_

**TELEPHONE:** (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ **FAX:** (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_ **EMAIL:** \_\_\_\_\_

**\*ADDRESS:** \_\_\_\_\_  
 (Complete above portions to correct contact information OR if preprinted label not provided)

**EXPIRATION DATE:** \_\_\_\_\_ **MONETARY LIMIT:** \_\_\_\_\_

\*\*Notice: The Board cannot accept fees at their physical office. All fees must be delivered to the cashier at the mailing address listed above.

**DO NOT WRITE IN THIS SECTION / FOR OFFICE USE ONLY**

\_\_\_ **FEE** \_\_\_ **PENALTIES-** \_\_\_\_\_; \_\_\_ **Address Chg Done** \_\_\_ **Limit Lowered:** \_\_\_\_\_;

**License W/C =** \$ \_\_\_\_\_ **N/W =** \$ \_\_\_\_\_

**PFS W/C (50%) =** \$ \_\_\_\_\_ **FS N/W (50%) =** \$ \_\_\_\_\_

**LOC =** \$ \_\_\_\_\_ - (LOC at 50% if W/C is negative)

**Total W/C =** \$ \_\_\_\_\_ **N/W =** \$ \_\_\_\_\_

\_\_\_ **Approved for Issuance** **Initial:** \_\_\_\_\_ **Date:** \_\_\_\_\_

\_\_\_ **Qualifying Agent** \_\_\_ **Increase** \_\_\_ **Name Change** \_\_\_ **Transfer**

**ADDITIONAL INFORMATION:** \_\_\_ **LOC - \$** \_\_\_\_\_ \_\_\_ **PFS/GA** \_\_\_ **LL - \$** \_\_\_\_\_

**F/S:** \_\_\_ **R or A** \_\_\_ **Notes** \_\_\_ **Per** \_\_\_ **Name** \_\_\_ **Date** \_\_\_ **Current** \_\_\_ **Company Only**

\_\_\_ **SOS** \_\_\_ **W/C** \_\_\_ **G/L** \_\_\_ **Fee** \_\_\_ **Penalty \$** \_\_\_\_\_ **Transfer/ Explanation**

**Cont Aff:** \_\_\_ **Seal** \_\_\_ **Notary Sign** \_\_\_ **Contractor Sign** \_\_\_ **LOC on Board Format** \_\_\_ **G/A**

**Other:** \_\_\_\_\_

**And/Or** \_\_\_\_\_

\_\_\_ **HOLD** \_\_\_ **Initial** \_\_\_ **Date** \_\_\_ **HOLD** \_\_\_ **Initial** \_\_\_ **Date**

## NOTICE

### \*\*\*\*\*Follow the Checklist\*\*\*\*\*

**\*\*If you prefer to “Retire” the license, complete page 8\*\***

1. \_\_\_\_ Enclose a **check** for the appropriate amount. **Make check payable to Contractor’s Board.**
  - \_\_\_\_ ♦Renewal fee is \$200 for a two (2) year period.
  - \_\_\_\_ ♦Renewal is **due 30 days prior to expiration** (*allow 5 to 7 business days for mail delivery*)
  - \_\_\_\_ ♦Late fees of **\$20 per month** beginning the day after expiration date; not due date.  
(Note: Late renewals will indicate a “Delinquent” status until the renewal is issued (not received).
  - \_\_\_\_ ♦If hand-delivering in lieu of mailing, the Board cannot accept fees at their physical location (see page 1)
2. \_\_\_\_ **Contractor’s Affidavit – Page 2**
  - \_\_\_\_ ♦All questions must be answered.
  - \_\_\_\_ ♦Must be **notarized** with a visible **notary seal**. (*If your state does not use a “seal” please make a note*)
3. \_\_\_\_ **Proof of Insurance Attached** - General Liability is required for all renewals including “Spec Builder”
  - \_\_\_\_ ♦Attach a **Certificate of Insurance**- You may obtain this by contacting your insurance agency
  - \_\_\_\_ ♦Certificate must show **Policy number** (Not Binder or Account Number), **Beginning and Expiration dates, Limits of Insurance, Name as on License** must appear in the Insured box.
  - \_\_\_\_ ♦Attach a **Certificate of Insurance for Workers’ Compensation Coverage** unless exempt
  - \_\_\_\_ ♦Board must be listed as Policy Holder
4. \_\_\_\_ **Current Financial Statement – \*Page 3** (Current is no older than 12-14 months). Financial statement is required for all renewals except “Spec Builder” licenses. (*If you have a “Spec Builder” license your wall certificate will state “Spec Builder” and not “Contractor”.*)  
(*See Pages 4 - 6 for the formula for calculating Working Capital and Net worth*)
  - \_\_\_\_ ♦If your **Monetary Limit is \$1,500,000 or less-** you may use the enclosed form (\*page 3)
  - \_\_\_\_ ♦If your **Monetary Limit is over \$1,500,000-** A **reviewed or audited** financial statement is required. Must include accountants report, balance sheet, and notes to financial statement.
  - \_\_\_\_ ♦The **Name on the Financial Statement** should be **exactly** the same as the **name on the license**.
  - \_\_\_\_ ♦The Financial statement should have a **date** which includes the **month, day, and year**.
  - \_\_\_\_ ♦If utilizing more than 50% of life insurance cash value, must submit documentation

▣The above items are the “minimum” requirements for Renewal ▣

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▣The following are requirements if your financial statement does not support your monetary limit ▣
5. \_\_\_\_ **Guaranty Agreement** - (Page 5) Required if submitting a supplemental financial statement, in addition to the licensed entity’s contractor’s financial statement. For example, a personal financial statement or parent company financial statement to support or indemnify the monetary limit. Note: Financial Statements are confidential and not released as public record; Guaranty is not confidential.
  - \_\_\_\_ ♦Please ensure the form is filled out in its entirety.
  - \_\_\_\_ ♦If submitting a **personal financial statement**, please **check the appropriate line**.
  - \_\_\_\_ ♦If submitting a **company financial statement**, please **check the appropriate line**
  - \_\_\_\_ ♦Please place the **Name as it appears on the license** on the **top line**.
  - \_\_\_\_ ♦This form must be **notarized** with a **visible notary seal**.
6. \_\_\_\_ **Line of Credit** (Page 6) May be used to supplement working capital, in addition to financial statement. The Line of Credit (LOC) will be added to the contractor’s working capital to increase the total working capital. If contractor’s financial statement shows negative working capital, the line of credit will only be utilized at 50% of its value, and must also cover the negative portion to make a positive amount.
  - \_\_\_\_ ♦Line of Credit format should not be altered in any way. (See Page 6 for Format)
  - \_\_\_\_ ♦Must be in exact name as license.
  - \_\_\_\_ ♦Must submit the original Line of Credit letter from bank (copies not accepted).

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  - **Please make a copy of the renewal form for your record; mail with fees to the address on the first page.**
  - **You may check the website at “License Search” for updates at: <http://licsrch.state.tn.us/>**
  - **Revisions should not be submitted with Renewal. Please mail these separately. You should be licensed in the same manner as you operate. If you operate as a corporation, L.L.C., or partnership, please ensure you are licensed in the same manner. If you need to change to a different mode of operation, complete the revision form available from our website at the “Downloadable Forms” Revisions require Board approval, therefore, best to renew as licensed first.**

See the attached renewal “Supplemental Information Packet” for more instructions, law changes and rule updates! This is also available from our website at: <http://tn.gov/commerce/boards/contractors/> **Do not contract or obtain permits until your license is renewed; there is not a grace period!**



# CONTRACTOR'S BALANCE SHEET

License #:

License Name:

(The name on the balance sheet must match exactly with your license name)

Address

Mode of Operation \_\_\_\_\_ Sole Proprietor \_\_\_\_\_ Corporation \_\_\_\_\_ LLC \_\_\_\_\_ Partnership

Financial Statement as of

(Month)

(Day)

20

(Year)

CURRENT ASSETS		Dollars Only	
	Cash on hand and in the Bank		
	Accounts Receivable (Within 1 year)		
	Trade		
	Employees		
	Other: (Itemize)		
	Costs in excess of billings on uncompleted contracts		
	Marketable Securities, Stocks, and Bonds		
	Inventories- Materials or Houses Built or Developed Lots for Sale		
	Retirement Plans (IRA; 401K; Profit Sharing) *Generally Only for Personal Financials		
	Cash Surrender Value of Life Insurance (Not Face Value) [May be required to supply documentation]		
	Prepaid Expenses (Insurance, Taxes, Interest, Rents, Other)		
	Other: (Itemize)		
<b>A</b>	<b>Total Current Assets</b>		
<b>NON-CURRENT ASSETS</b>			
	Accounts Receivable (amounts not due within 1 year)		
	Related Party Receivables		
	Long Term Investments		
	Land		
	Depreciable Assets		
	Buildings		
	Equipment		
	Tools		
	Vehicles		
	Other: (Itemize)		
<b>B</b>	<b>Total Assets</b>		
<b>CURRENT LIABILITIES</b>			
	Credit Cards (Balance)		
	Accounts Payable (Amount Due Within 1 Year)		
	Accrued Salaries and Wages		
	Billings in excess of costs (uncompleted contracts)		
	Equipment Encumbrances (Amount Due Within 1 year)		
	Real Estate Encumbrances (Amount Due Within 1 year)		
	Line of Credit (Balance)		
	Other: (Itemize)		
<b>C</b>	<b>Total Current Liabilities</b>		
<b>LONG TERM LIABILITIES</b>			
	Accounts Payable (Amount Due After 1 Year)		
	Equipment Encumbrances (Amount Due After 1 year)		
	Real Estate Encumbrances (Amount Due After 1 year)		
	Stockholder Payable		
	Other: (Itemize)		
<b>D</b>	<b>Total Liabilities</b>		
<b>E</b>	<b>Net Worth</b>		
<b>D + E</b>	<b>Total Liabilities and Net Worth</b>		

Working Capital = A - C = \$ \_\_\_\_\_

Net Worth = B - D = \$ \_\_\_\_\_

(Same as E)

## INSURANCE INFORMATION

Effective July 1, 2007, a new law requires all contractors to obtain General Liability Insurance in order to renew or apply for a license. In addition, workers compensation insurance is also required. The Board has established the following as a “minimum” amount of coverage to obtain. Please check with your insurance provider, as they may advise to apply for more or additional coverage, based upon your individual needs and the amount of projects you perform.

### General Liability

<u>Contractor's License Monetary Limit</u>	<u>Minimum General Liability Insurance</u>
Up to \$500,000	\$100,000
\$500,001 to \$1,500,000	\$500,000
\$1,500,001 to Unlimited	\$1,000,000

The following is from legislation SB1784, Public Chapter 130 and also part of Rule 0680-06-.01.

“Any application for initial licensure or for renewal of licensure also shall be accompanied by an affidavit affirming that the applicant maintains general liability insurance and workers’ compensation insurance {according to Department of Labor and Workforce law, Worker’s Compensation is not required if there are “No” employees} and specifying the amount of such insurance as well as any other information the board may require.”

### Workers Compensation

T.C.A. § 50-6-102(10) (A) “Employee” includes every person, including a minor, whether lawfully or unlawfully employed, the president, any vice president, secretary, treasurer or other executive officer of a corporate employer without regard to the nature of the duties of the corporate officials, in the service of an employer, as employer is defined in subdivision (11), under any contract of hire or apprenticeship, written or implied. Any reference in this chapter to an employee who has been injured shall, where the employee is dead, also include the employee's legal representatives, dependents and other persons to whom compensation may be payable under this chapter; More information may be obtained from the Department of Labor and Workforce's website at: <http://www.state.tn.us/labor-wfd/wcomp.html>

### Requirements for Proof of Insurance:

The Board requests a **Certificate of Insurance** (*available from your insurance agency*) which lists a **policy number** (not binder or account number), a **beginning and expiration date**, and **limits** of the insurance. The **name on the license** must match the **name in the insured box**. **The Board should be listed as the certificate holder.**

### Limits required to be listed on Certificate of insurance

- Each occurrence (this value must comply with minimum requirements listed above)
- Damage to Rented Premises (each occurrence)
- Medical Expense (any one person)
- Personal & Adv Injury
- General Aggregate
- Products- comp/op agg

### Submitting Proof of Insurance

Note: Do not send a “Certificate of Insurance” loosely or separate from the renewal. If you cannot supply with renewal, please provide a cover letter stating is for a pending renewal or attach to the **“Notice of Insurance”** (*may be obtained from our website*). This will ensure it is properly matched to the correct pending renewal for timely issuance.

**GUARANTY AGREEMENT**  
**(Required with supplemental financial statements to increase working capital or net worth  
or by parent companies indemnifying subsidiaries)**

I/we, the undersigned person(s), natural or corporate, do hereby pledge and agree to guarantee the debts and obligations of the within named contractor for all debts and obligations arising out of the contracting activities of the Contractor as defined by TENNESSEE CODE ANNOTATED, section 62-6-101.

I/we the undersigned Guarantors agree and contract to pay any and all debts and obligations of said Contractor as provided for above should they fail and refuse to pay and/or default on same.

I/we the undersigned Guarantors, agree to furnish and supply the Board with any and all financial reports, statements and information to which they may request in order to provide evidence of my/our financial security and stability.

I/we understand and agree that where the words "indemnities" appear in Rule #0680-1-.13 of the rules of the Board, it shall be in reference to this document, its title and wording to the contrary.

This document and the obligation undertaken shall expire and shall become null and void upon expiration of any license granted the Contractor by the Board or upon joint request, in writing, of the undersigned Guarantors and the Contractor, with the approval of the Board, provided, however, that any and all debts and obligations for, or arising out of work in process, upon the expiration, nullification and/or cancellation of this agreement, shall be covered and the Guarantor(s) herein shall remain liable for same.

This **GUARANTY AGREEMENT** is being executed at the request of: **License ID# 000** \_\_\_\_\_

\_\_\_\_\_  
**(NAME AS ON LICENSE)**

the contractor to which this document is applicable for the express purpose of providing additional financial security and stability to, and for, said Contractor in order that they may obtain a license to engage in contracting in the State of Tennessee, Board for Licensing Contractors.

\* \* \*

<div style="border-bottom: 1px solid black; margin-bottom: 5px;">Name of Guarantor</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Name: _____</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Title: _____</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">*Signature of Corporate Official or Personal Guarantor</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Signature of Additional Personal Guarantor or Spouse</div> <div style="margin-top: 10px;">*As a corporate official, I am fully authorized to bind and obligate corporation to the terms and conditions of this document as stated herein.</div>	<p><b>Please Check the Applicable Line</b></p> <div style="margin-bottom: 20px;"><input type="checkbox"/> Corporate Guaranty – Must be signed by Authorized Corporate Official</div> <div><input type="checkbox"/> Personal Guaranty – Must be signed by All Persons Named on Personal Financial Statement</div>
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**NOTARIZE**

Affirmed/witnessed and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Notary Public Signature

My Commission Expires: \_\_\_\_\_

- Seal -

\*Corporate financial statements submitted to increase working capital and net worth of licensee, must complete corporate section.

\*\* Personal financial statements submitted, the personal guarantor(s) sign and signature of all persons named on financial statement, such as SPOUSE, is required.

## LINE OF CREDIT

TO BE WRITTEN ON BANK, SAVINGS & LOAN LETTERHEAD  
(May be used to supplement Working Capital)

**DATE**

**TO: CONTRACTOR LICENSED NAME (Individual, Corporation, Partnership or LLC)**  
**Address**  
**City, State and Zip**

**RE: Contractor's License ID# 000 \_\_\_\_\_**

**Dear Contractor:**

You have requested of (Name of Bank, Savings & Loan (FDIC approved)) to establish a line of credit which will be available to (Name as on License) for use in conducting the contracting business for which a license is being sought from the State of Tennessee Board for Licensing Contractors.

We hereby establish a line of credit for these purposes in the amount of \$(Dollar Amount), which will be maintained for a period of one (1) year from the date of license issuance, subject to no adverse change in your financial condition.

As a condition of this arrangement, it is our understanding you will inform us and the Board for Licensing Contractors of any significant change(s) in your financial condition during the term of this commitment.

We the undersigned will endeavor to notify the Board for Licensing Contractors should we become aware of any significant change(s) in financial conditions of the above named applicant.

The undersigned hereby agrees to notify the Board for Licensing Contractors should we withdraw and/or eliminate the above named applicant's credit line.

By \_\_\_\_\_  
Name Title

## SAMPLE LETTER -- FOR BANK USE ONLY

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### Contractor Instructions

- To increase the working capital, a contractor may take this **SAMPLE** "Line of Credit" (**LOC**) form to their bank. The Bank may obtain this format in a non-pdf "Word" document by emailing us at: [Contractor.Renewal@tn.gov](mailto:Contractor.Renewal@tn.gov)
- The LOC does not increase the net worth. (DO NOT add to Financial Statement!)
- If a contractor's working capital is negative, only 50% of the LOC's value is applied
- The LOC is for the contractor's use and may be utilized at any time by the contractor
- This **format's exact wording must be used** in order for the Board to consider accepting
- Original LOC document must be submitted; copies are not acceptable
- Name on LOC must be in the **EXACT NAME** as on the license and financial statement
- Lending institution must be a bank, savings and loan, which is FDIC approved

**Fee**

- o \$ 25.00 – Yearly Fee
- o \$200.00 (If expired); and
- o \$ 20.00 – Monthly Late Fee

Contractor Retirement Fee – Prof 1801- \$25/Yr  
Xact #

License ID#

STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE  
**BOARD FOR LICENSING CONTRACTORS**

Mailing Address: 500 JAMES ROBERTSON PARKWAY - NASHVILLE, TN 37243-1150  
(615) 532-3985 or Toll Free: 1-800-544-7693  
<http://tn.gov/commerce/boards/contractors/> Email: [Contractor.Renewal@tn.gov](mailto:Contractor.Renewal@tn.gov)

**RETIREMENT OF LICENSE – APPLICATION***(If inactive, may place in retirement in lieu of renewing contractor's license)***FEE: \$25.00 – Yearly Retirement (Nonrefundable)****Total Enclosed: \$ \_\_\_\_\_****\$25.00 Fee for each year: \_\_\_\_1 Year \_\_\_\_2 Years****(If expired: \_\_\_\_\$200.00 Renewal Fee; \_\_\_\_\$ \_\_\_\_\_ - Late Fee)**

- May retire for more than one (1) year; limited to seven (7) consecutive years; **\$25.00** annual fee
- If license is expired (**less than 12 months**), or it has been in retirement seven (7) years, must submit \$200.00 renewal fee and any late monthly fees;
- May not place in retirement if expired more than 12 months.

\_\_\_\_ **NEW – Return with current license certificate and ID card**\_\_\_\_ **RENEW****Government Agency Employee:** \_\_\_\_No \_\_\_\_Yes: Agency: \_\_\_\_\_

Contractor's License # \_\_\_\_\_

Expiration Date: \_\_\_\_\_

*(If expired, must pay \$200 and \$20 monthly late fee)*

License Name: \_\_\_\_\_

Address: \_\_\_\_\_

*(Address Change: \_\_\_\_ - No \_\_\_\_ - Yes)*Attach *active* license certificate and pocket ID card: \_\_\_\_Yes \_\_\_\_No- Explain: \_\_\_\_\_\_\_\_\_\_  
**Signature**\_\_\_\_\_  
**Print Name**\_\_\_\_\_  
**Title (Owner/Officer)****REASON FOR RETIREMENT:** \_\_\_\_\_*(In an effort to provide better assistance, this information may be beneficial to address concerns in the industry. Thank you!)***PROCEDURES****New and Renewal Retirement Process**

License must be active or have renewal rights in order to retire. Complete the above portion, sign and return with the \$25.00, **nonrefundable** retirement fee. Unless renewing retirement, include your current license I.D. pocket card and certificate. If license is expired, less than 12 months, please submit renewal fee (\$200.00) and late fees (\$20.00/month). Renewal fees paid prior to retirement are non-refundable. A contractor's license may be retired annually, up to seven (7) years, by submitting \$25.00 yearly at renewal time or while the license is current. However, if you pull out of retirement after paying more than one yearly fee, it is nonrefundable. Please be sure to renew retirement annually! Not required to complete "Notice of Renewal" to place license in retirement!

**Bringing out of Retirement**

To bring a license **out of retirement**, complete the "Notice of Renewal" starting on page 1 or download from our website at: <http://tn.gov/commerce/boards/contractors/> Complete the renewal and submit with \$200.00 and a financial statement (a CPA/PA is not required to complete unless the monetary limit **exceeds \$1,500,000; no exams**). For further information, you may refer to statute T.C.A. § 62-6-126.

If the license was retired after renewing (due to lapse of insurance, etc.), the \$200 renewal fee does not need to be repaid to bring out of retirement, prior to expiration.

(May check status of license on the website at: <http://licsrch.state.tn.us/>)**-Office Use-**

\_\_\_\_ Issued (Less than 7 years)  
 \_\_\_\_ Denied for \_\_\_\_ Cert/ID \_\_\_\_ Ren Fee \_\_\_\_ Exp  
 \_\_\_\_ Open Ren Xact Canceled



